



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

DEC 18 2013

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Gary Vonderembse
Environmental Manager
Lima Refining Company
1150 South Metcalf Street
Lima, Ohio 45804

Dear Mr. Vonderembse:

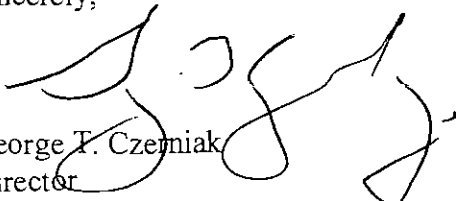
This is to advise you that the U.S. Environmental Protection Agency has determined that Lima Refining Company's (LRC's) facility at 1150 South Metcalf Street, Lima, Ohio, (facility) has violated its Permit-to-Install, requirements of the Ohio State Implementation Plan, and its Title V permit promulgated pursuant to Title V of the Clean Air Act (CAA or Act). We are today issuing to you a Notice and Finding of Violation (NOV/FOV) for these violations.

Section 113 of the CAA gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order; issuing an administrative penalty order; bringing a judicial civil action; and bringing a judicial criminal action.

We are offering you the opportunity to confer with us about the violations alleged in the NOV/FOV. A conference should be requested within 10 days following receipt of this notice. A conference should be held within 30 days following receipt of this notice. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply and the steps you will take to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

The EPA contact in this matter is Virginia Galinsky. You may call her at (312) 353-2089 if you wish to request a conference. EPA hopes that this NOV/FOV will encourage LRC's compliance with the requirements of the CAA.

Sincerely,


George T. Czerniak
Director
Air and Radiation Division

cc: Bob Hodanbosi, Chief, Chief, Division of Air Pollution Control, Ohio EPA
Mark Budge, APC Manager, Northwest District Office, Ohio EPA

Enclosure

1. Ohio Administrative Code (OAC) Rule 3745-31-05 was incorporated into the Ohio State Implementation Plan (SIP), effective October 23, 1980. 49 Fed. Reg. 27584. Ohio subsequently revised this SIP rule. On January 22, 2003, EPA approved the revised SIP rule entitled, "Permits to Install New Sources of Pollution," at 68 Fed. Reg. 2909, effective March 10, 2003.
2. OAC Rule 3745-31-05(A) provides that the director of Ohio EPA shall issue a permit-to-install or PTIO, on the basis of the information appearing in the application, or information gathered by or furnished to the Ohio EPA, or both, if he/she determines that the installation, modification or operation of the air contaminant source will: (1) not prevent or interfere with the attainment or maintenance of applicable ambient air quality standards; (2) not result in a violation of any applicable laws; and (3) employ BAT, when applicable.
3. Title V of the CAA establishes an operating permit program for major sources. The purpose of Title V is to ensure that all "applicable requirements" for compliance with the CAA are collected in one place.

4. Section 502(a) of the Clean Air Act states “[a]fter the effective date of any permit program approved or promulgated under this subchapter, it shall be unlawful for any person to violate any requirement of a permit issued under this subchapter, or to operate...a major source...except in compliance with a permit issued by a permitting authority under this subchapter.”
5. Title V permit application requirements are codified at Section 503 of the CAA, 42 U.S.C. § 7661b, with implementing regulations at 40 C.F.R. Part 70.
6. EPA fully approved the Ohio Title V Permit program, effective October 1, 1995. 60 Fed. Reg. 42045 (August 15, 1995). Ohio's Title V Permit program requirements are codified at OAC Rule 3745-77.
7. 40 C.F.R. § 52.23 states "...failure to comply with...any approved regulatory provision of a State implementation plan, or with any permit condition or permit denial issued pursuant to approved or promulgated regulations for the review of new or modified stationary or indirect sources, or with any permit limitation or condition contained within an operating permit issued under an EPA-approved program that is incorporated into the State implementation plan, shall render the person or governmental entity so failing to comply in violation of a requirement of an applicable implementation plan and subject to enforcement action under section 113 of the Clean Air Act."
8. 40 C.F.R. § 70.7(b) states "...no part 70 source may operate after the time that it is required to submit a timely and complete application under an approved permit program, except in compliance with a permit issued under a part 70 program."

Factual Background

9. LRC owns and operates a petroleum refinery located at 1150 South Metcalf Street, Lima, Ohio.
10. Ohio EPA issued Permit-to-Install (PTI) Number P0109701 to LRC on June 6, 2012.
11. PTI Number P0109701 includes the following emission limits for nitrogen oxides (NOx), set pursuant to OAC Rule 3745-31-05(A):
 - a. Emission Unit (EU) B007: 0.098 pounds per million British thermal unit (lb/mmBtu) on a 3-hour block basis;
 - b. EU B016: 0.098 lb/mmBtu on a 3-hour block basis;
 - c. EU B022: 0.079 lb/mmBtu on a 3-hour block basis; and,
 - d. EU B024: 0.087 lb/mmBtu on a 3-hour block basis.
12. Ohio EPA issued Title V Permit Number P0112352 to LRC on March 26, 2013. LRC's Title V Permit incorporated the emission limits for B007, B016, B022 and B024 from LRC's PTI Number P0109701.

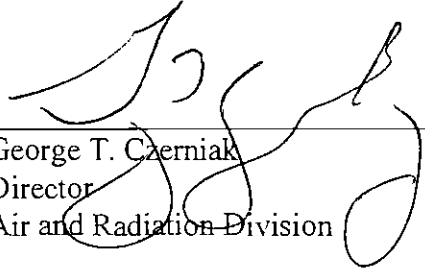
13. From March 9 – 11, 2010, ARI Environmental, Inc. conducted one 30-minute test run using EPA Reference Method 7E on several emission units at the facility. The average NOx emission rates were as follows:
- a. B007: 0.1362 lb/mmBtu;
 - b. B022: 0.088 lb/mmBtu; and,
 - c. B024: 0.1152 lb/mmBtu.
14. From July 31 – August 6, 2013, ARI Environmental, Inc. conducted three 60-minute test runs using EPA Reference Method 7E on several emission units at the refinery. The average NOx emission rates were as follows:
- a. B007: 0.1057 lb/mmBtu;
 - b. B016: 0.1363 lb/mmBtu;
 - c. B022: 0.0761 lb/mmBtu; and,
 - d. B024: 0.0993 lb/mmBtu and 0.0988 lb/mmBtu.

Violations

15. By failing to keep NOx emissions from B007 and B016 below 0.098 lb/mmBtu, LRC has violated its PTI Number P0109701, OAC Rule 3745-31-05(A), and Title V Permit Number P0112352.
16. By failing to keep NOx emissions from B022 below 0.079 lb/mmBtu, LRC has violated PTI Number P0109701, OAC Rule 3745-31-05(A), and Title V Permit Number P0112352.
17. By failing to keep NOx emissions from B024 below 0.087 lb/mmBtu, LRC has violated PTI Number P0109701, OAC Rule 3745-31-05(A), and Title V Permit Number P0112352.
18. By violating the conditions of the SIP and its Permit-to-Install, LRC has violated Title I of the Act.
19. By violating the conditions of its Title V Permit, LRC has violated 40 C.F.R. § 70.7(b) and Section 502(a) of the Act.

12/7/13

Date



George T. Czerniak
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Notice and Finding of Violation, No. EPA-5-14-OH-02, by Certified Mail, Return Receipt Requested, to:

Gary Vonderembse
Environmental Manager
Lima Refining Company
1150 South Metcalf Street
Lima, Ohio 45804

I also certify that I sent copies of the Notice of Violation and Finding of Violation by first-class mail to:

Bob Hodanbosi
Chief, Division of Air Pollution Control
Ohio Environmental Protection Agency
1800 WaterMark Drive
Columbus, Ohio 43266-1049

Mark Budge
APC Manager
Ohio Environmental Protection Agency
347 North Dunbridge Road
Bowling Green, Ohio 43402

On the 18 day of December 2013.



Loretta Shaffer
Administrative Professional Assistant
Planning and Administration Section

CERTIFIED MAIL RECEIPT NUMBER: 70091680 0000 7669 6005